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Logistics Management Institute

Acquisition Workforce  
Enhanced Incentives Survey  
Analysis

AQ703T1

June 1998

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Peggy A. Miller  
Albert H. Schroetel

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# Chapter 1

## Introduction

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### BACKGROUND

This report provides the results of the survey conducted in conjunction with the Acquisition Workforce Enhanced Incentives Study. The study was commissioned in response to Section 5001 (b) of the Federal Acquisition Streamlining Act (FASA). The legislation requires the Secretary of Defense to review the incentives and personnel actions available to the Department of Defense (DoD) for encouraging excellence in the management of defense acquisition programs and to provide an enhanced system of incentives to facilitate the achievement of cost, schedule, and performance goals.

The study began with an extensive literature review of industry trends with regard to compensation and incentives. We then met with subject-matter experts from DoD, the Office of Personnel Management (OPM), and the private sector, including civilian personnel specialists, military compensation chiefs, senior acquisition management instructors, and highly regarded management consulting and technology integration professionals.

We conducted interviews and on-site visits with Program Executive Officers (PEO's), Program Managers, Deputy Program Managers, and program team members. The inputs and insights gained from these interviews and visits have been invaluable in building a knowledge base and formulating test concepts.

### SURVEY PURPOSE

The survey (Appendix A) was intended to help us better determine what rewards are valued by the workforce and whether workforce incentives can contribute to program success. It was important for us to analyze the feasibility of using program cost, schedule, and performance goals to evaluate acquisition personnel performance, and to collect empirical evidence to support interview findings that a reward program linked to a credible performance management system could provide a model for change in the acquisition workforce.

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The survey had three main objectives:

- ◆ Determine which rewards are most valued.
- ◆ Determine the credibility and effectiveness of current performance management practices—specifically, communicating goals and objectives, performance measurement, and the use of rewards and recognition.
- ◆ Get stakeholder input to test design and to the incentive system.

## DISTRIBUTION

The survey was distributed to nearly 1,500 people including military and civilian government employees, and scientific, engineering, technical, administrative (SETA) support contractors in Army, Navy, Air Force, and joint program offices; and to senior acquisition students at the Industrial College of the Armed Forces (ICAF) and the Defense Systems Management College (DSMC). We had an excellent return rate, which we considered a positive indication of the high level of interest in and visibility of the subject of incentives. The representative population was 32 percent military, 58 percent civilian, and 10 percent SETA contractors. Approximately two-thirds of those surveyed were currently working in Acquisition Category I (ACAT I) program offices, and one-third were students.<sup>1</sup>

## ORGANIZATION

The survey was organized into three sections:

- ◆ Rewards and recognition
- ◆ Individual and team performance
- ◆ Critical processes.

Chapter 2 provides the survey findings for each section. Additional detail is provided in Appendix B.

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<sup>1</sup> See Figure B-1 and Table B-1 in Appendix B.

## Chapter 2

# Survey Results

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### REWARDS AND RECOGNITION

Reward systems are communication systems that should reinforce and support the kinds of behavior that improve performance. The purpose of this section of the survey was to determine the perceived value of current reward and recognition systems and to solicit preferences regarding the characteristics of a new system. The survey results showed the following<sup>1</sup>:

- ◆ 74 percent of the respondents agreed that rewards and recognition have a large potential for influencing program success (73 percent civilian, 78 percent military).
- ◆ 74 percent favored monetary awards over non-monetary awards (78 percent civilian, 66 percent military).
- ◆ Only 19 percent believed that current appraisal systems are credible and should be used to determine rewards (21 percent civilian, 16 percent military).
- ◆ 79 percent agreed that for awards given on the basis of team performance, no team members should be excluded (73 percent civilian, 87 percent military).
- ◆ 76 percent agreed that awards must be equitable for all team members, including military members and SETA contractors (74 percent civilian, 79 percent military).

There were some differences in responses between the Services.<sup>2</sup> For example, 71 percent of Navy respondents disagreed with the statement that *the current performance appraisal system is credible and appropriate to determine reward distributions*, while only 31 percent of Marines disagreed. To the statement *if monetary awards are given based on team performance, an inequity results when low performers receive the same amount*, 52 percent of Air Force, Navy, and Marines agreed while only 31 percent of Army respondents agreed. These cultural differences suggest that “one size will not fit all” with regard to implementing a performance-based incentive system. For a system to be credible and most productive, it must be customized to meet the needs of each specific program office.

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<sup>1</sup> See Figure B-2 and Table B-2 in Appendix B.

<sup>2</sup> See Figure B-3 in Appendix B.

Appendix B provides additional evidence of significant differences between military and civilian responses and between responses of program office members and those of students.<sup>3</sup>

To determine what types of rewards would provide the highest motivational value, we asked participants to what extent they personally valued various rewards. Consistently, base pay increases, cash awards, and outstanding performance ratings were the top three, while productivity upgrades, administrative support (both considered enablers and not rewards), and gift certificates were the bottom three. Table 2-1 presents the overall results, ranked from highest to lowest value.

We then grouped the responses into four tiers, or statistical clusters, to analyze demographic differences by seniority and by civilian vs. military.

For civilians, whom we grouped into grades GS-9 to GS-12, GS-13 to GS-14, and GS-15 and above, there were no large differences in the ranking of responses regarding high- or low-value rewards. Base pay increases, cash awards, and outstanding ratings were the highest valued, while administrative support and gift certificates were the lowest valued.

*Table 2-1. Rewards, Ranked by Mean Value*

Rank	Reward
1	Base Pay Increase
2	Cash Award
3	Outstanding Rating
4	Paid Time Off
5	Savings Bonds
6	Education & Training
7	Assignment Preference
8	Flexible Work Hours and Place
9	Influence in Goal Setting
10	Assignment of High-Status Tasks
11	Informal Recognition
12	Formal Recognition
13	Tuition Refunds
14	Unused Leave Sell-Back
15	Productivity Upgrades
16	Administrative Support
17	Gift Certificates

There were some minor differences in the ranking of second- and third-tier rewards; for instance, GS-15 and above responses indicated indifference to the

<sup>3</sup> See Figure B-4 in Appendix B.



remaining rewards, some of which fell into the second and third tier for GS-14s and below.<sup>4</sup>

For military members, whom we grouped as O-1 to O-3, O-4 to O-5, and O-6 and above, there were small differences across the ranks and when compared to civilians. For example, in addition to base pay increases, cash awards, and outstanding ratings, assignment preference fell into the top tier of rewards for O-1 to O-3 and O-4 to O-5.<sup>5</sup>

Paid time off and savings bonds ranked consistently high in the second tier across all grades, both military and civilian. A low value was placed on formal recognition across the grades for both groups, military and civilian. Informal recognition ranked slightly higher than formal recognition for all participants.

## PERFORMANCE MANAGEMENT

The test of any reward system is whether it encourages behaviors that improve performance and rewards the *results* those behaviors support. For teams and individuals to succeed in attaining their objectives, organizations and employees need a clear idea of the results they are trying to achieve. A credible performance management system should (1) align organizational goals with strategy, (2) measure performance against clearly defined goals, (3) encourage team leaders and members to communicate so that team and individual skills are developed, and (4) link rewards to goals and objectives to focus behavior and drive performance. Traditional performance management systems commonly suffer from several shortcomings:

- ◆ Goal setting is not linked to strategy.
- ◆ Line employees do not understand strategic priorities.
- ◆ Few employees receive meaningful feedback.
- ◆ Incentives and rewards are not linked to goals and objectives.<sup>6</sup>

The purpose of the Performance section of our survey was to evaluate the effectiveness of current performance management practices and determine whether existing metrics are appropriate for measuring or tracking individual and team performance. Survey evidence revealed that current performance management practices lack credibility and fail to drive performance or motivate.<sup>7</sup>

<sup>4</sup> See Figure B-5 in Appendix B.

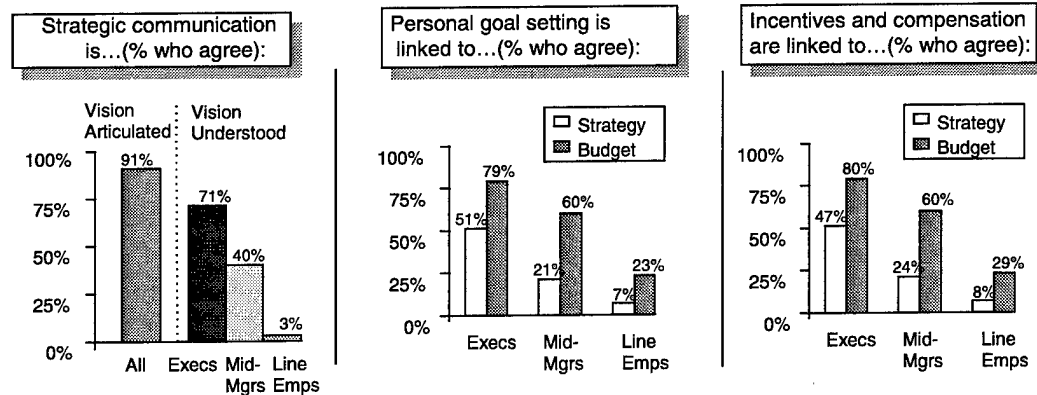
<sup>5</sup> See Figure B-6 in Appendix B.

<sup>6</sup> *The Strategy Focused Workforce*, Mario Bognanno, Renaissance Solutions, Inc.

<sup>7</sup> Figure B-7 and Table B-3 in Appendix B provide response detail.

Private-industry survey evidence ( Figure 2-1) indicates that linkage between strategy and critical performance levers is generally ineffective.<sup>8</sup>

*Figure 2-1. Private-Industry Views of the Linkage Between Strategy and Critical Performance Levers*



According to *CFO Magazine*, only 40 percent of mid-level managers and 3 percent of line employees understand the strategic vision; personal goal setting is aligned more with the annual budget process than with organizational strategy; and incentives and compensation are linked not with strategy but with the annual budget.

## Individual Performance

Although it was collectively (91 percent) agreed that individual performance has a direct impact on the team's performance and contributes to program success, the survey results indicated a substantial lack of confidence in individual appraisal systems:

- ◆ Only 18 percent of the respondents believed that current appraisals drive performance and motivate employees to perform well.
- ◆ Only 34 percent agreed that performance appraisals are a fair and accurate reflection of individual performance.
- ◆ Less than half (43 percent) agreed that performance appraisals take into account the most important aspects of the job.

The survey data directly supported our previous research regarding the importance of credible performance management systems, providing evidence that less than half of the respondents (42 percent) felt that performance objectives are clearly communicated. Additionally, less than half (46 percent) believed that individual performance objectives are aligned with team goals.

<sup>8</sup> *CFO Magazine*, Renaissance Solutions, Inc.

Response differences between military and civilians and program management team (PMT) members versus students can be found in Appendix B.<sup>9</sup>

## Team Performance

Many private-sector companies have realized that process-focused, multifunctional teams dramatically improve the way they deliver products and services to customers. Our survey indicated that 72 percent of respondents agreed that team performance is more important than individual performance in influencing program success. However, team-based performance management is a new paradigm for federal program offices. There is no policy guidance from OPM on team performance metrics or appraisals. During interviews, program team members indicated that since their teams are collectively held responsible for success or failure, they should be rewarded collectively. The survey results showed the following:<sup>10</sup>

- ◆ Less than half of the respondents (47 percent) agreed that organizational strategy or team goals are clearly communicated to the team.
- ◆ Only 33 percent believed that team performance is measured against clearly defined goals.
- ◆ Only 29 percent agreed that the metrics used to measure team performance reflect critical aspects of the program.
- ◆ Only 31 percent agreed that team performance measures drive performance and motivate the team to perform well.

Survey evidence suggests that team performance is managed even less effectively than individual performance, as shown in Table 2-2:

*Table 2-2. Team vs. Individual Performance Management*

Statement	Teams (agree)	Individuals (agree)
Measures reflect critical aspects of jobs	29 percent	43 percent
Appraisals and metrics are fair and objective	24 percent	35 percent
Organizational strategy is clearly communicated	47 percent	53 percent
Objectives and goals are clearly communicated	48 percent	46 percent

<sup>9</sup> See Figure B-8 in Appendix B.

<sup>10</sup> See Figure B-10 and Table B-4 in Appendix B.

## Critical Processes

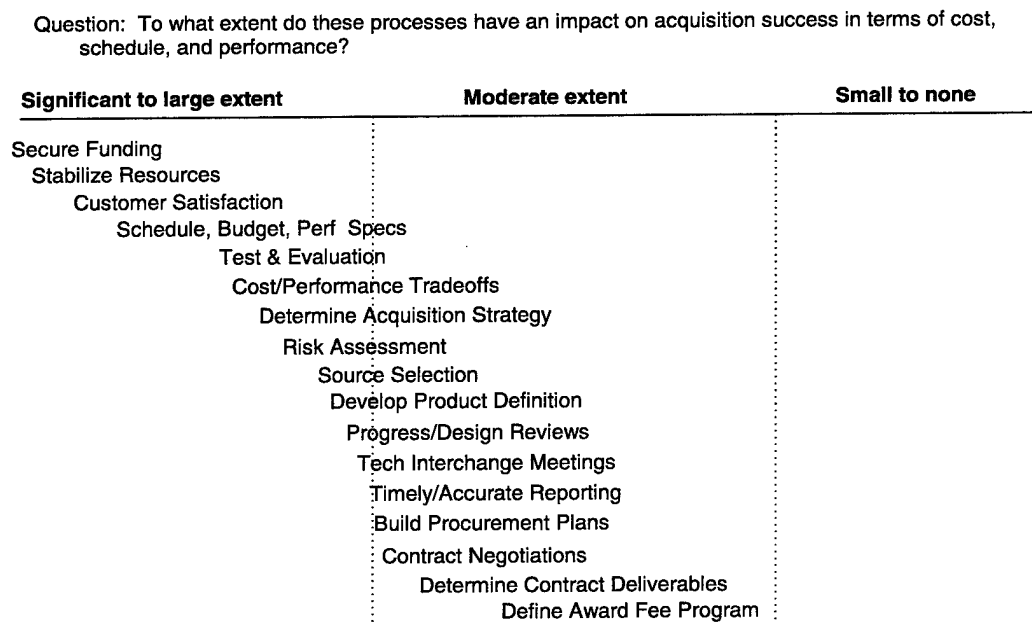
An incentive system should reward performance on the basis of measures within a team's span of control. Those processes that have the greatest effect on program success and that are least influenced by external factors become the best candidates for linking performance measures and rewards.

This section of the survey was designed to

- ◆ identify the critical processes and events that have an impact on program success in terms of cost, schedule, and performance;
- ◆ determine which program team (government or prime contractor) has a greater impact on the outcome of those processes; and
- ◆ determine the extent to which the critical processes are influenced by external factors.

In interviews with program offices prior to constructing the survey, we compiled a list of processes and events that occur at various stages of the acquisition life-cycle. We asked the survey respondents to rate the extent to which each process has an impact on achieving program cost, schedule, and technical performance goals. Figure 2-2 reflects the processes from most to least significant impact.

*Figure 2-2. Critical Processes*

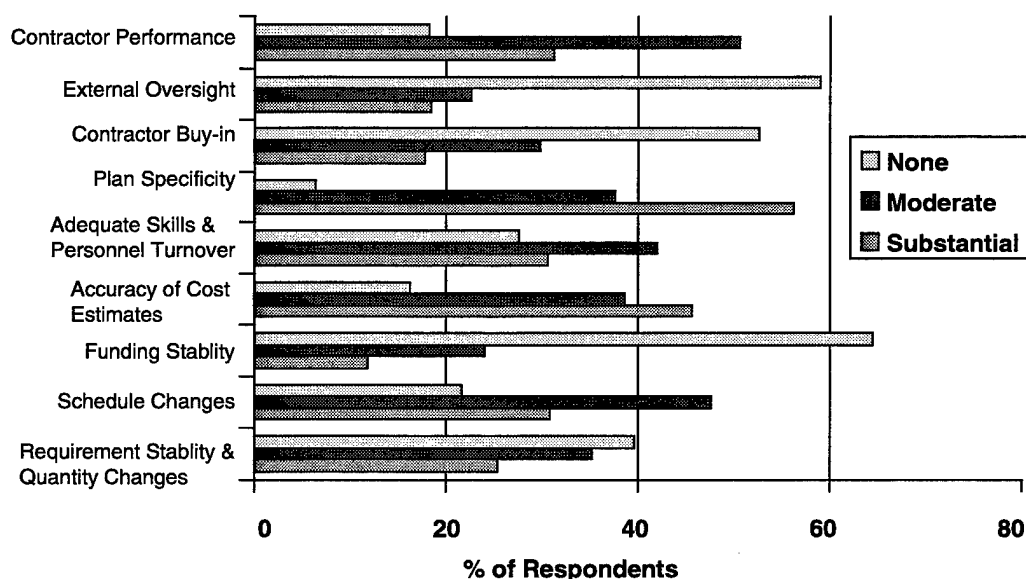


In an attempt to isolate those processes that are specific to the government program management team, we asked which team—government or prime contractor—has the greater impact on the successful outcome of these processes. Only four items were identified as being primarily under the control of the government program team: *secure funding*, *determine acquisition strategy*, *source selection*, and *build procurement plans*. All other processes were scored as influenced equally by both.

## EXTERNAL FACTORS

It is generally agreed that external factors can have a great effect on whether acquisition programs achieve their cost, schedule, and performance goals. Therefore, in order to determine whether or not incentives can positively contribute to program success, we must be able to discount the effects of those factors, either mathematically or through an arbiter process to neutralize them in a test environment. We tried to ascertain how much control the program office has over various external factors that may significantly affect program success. Figure 2-3 summarizes these results.

Figure 2-3. Level of Control Over External Influences



According to the survey, the program office has the least control over *funding stability*, *external oversight*, and *contractor buy-in*. The large degree of perceived moderate/substantial control over *requirement stability/quantity changes* and *schedule changes* contradicted interview findings. This may reflect the ability to do some cost, schedule, and performance tradeoffs under the Cost as an Independent Variable (CAIV) philosophy.

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Significantly, 68 percent of the respondents believed that external factors prevent teams from accomplishing goals, and 81 percent felt that external factors have a large influence on achieving cost, schedule, and performance goals.

## SUMMARY

The survey provided empirical evidence to support interview findings that rewards have a large potential to influence program success, and that an incentive program linked to a credible performance measurement system can provide an effective tool for bringing about positive change in the acquisition program environment. The survey also indicated that both civilians and military place a high value on monetary awards, that current performance management systems lack credibility, that team performance is managed less effectively than individual performance, and that external influences have a large impact on program success.

The evidence collected to date through program office interviews, the enhanced incentives survey, and research on industry practices supports the recommendation to proceed with a test. Before monetary or other extrinsic awards are made, however, it is important to ensure that

- ◆ a credible team-based performance measurement system to link incentives to performance results has been established;
- ◆ all team members are eligible to participate, including civilians, military members, and SETA contractors;
- ◆ either cash awards or savings bonds are available to all team members; and
- ◆ rewards are equitable.

Appendix A

**Acquisition Workforce Enhanced Incentives Survey**

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## **Acquisition Workforce Enhanced Incentives Survey**

The Under Secretary of Defense for Acquisition and Technology is formulating a plan to test an enhanced system of incentives for the acquisition workforce. This survey is being conducted to involve key stakeholders in the design of the new reward system.

The results of this survey will be used to help construct the test to determine if workforce incentives can contribute to acquisition process success with regard to cost, schedule, and performance goals.

Please base your answers on your current (or most recent) acquisition program management office experience. If you wish to comment on any aspect of this program or survey, or qualify your answers to any question, please use the comments section at the end of this survey.

Thank you for your help.

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### **PRIVACY NOTICE**

**Authority:** 10 U.S.C. 136

**Principal Purpose:**

Information collected in this survey will assist in formulating test concepts and features to determine if workforce incentives can contribute to acquisition process success with regard to cost, schedule, and performance goals.

**Disclosure:**

Voluntary. Failure to respond will not result in any penalty to the respondent. Maximum participation is encouraged however, so that the data will be complete and representative. Your survey will be used only by persons engaged in, and for the purposes of, the survey. Only group statistics will be reported.



## Rewards and Recognition

The following section addresses current reward and recognition systems and asks your preference about the characteristics of a new system. Please base your answers on your current (or most recent) acquisition program management office experience.

**Q-1** To what extent do you agree or disagree with the following statements concerning rewards and recognition?

*Circle the number of your answer for each statement.*

Statement	Strongly Disagree	Disagree	Neither Agree or Disagree	Agree	Strongly Agree
<u>Current System:</u>					
Rewards and recognition have a large influence on behavior	1	2	3	4	5
The current performance appraisal system is credible and appropriate to determine reward distributions	1	2	3	4	5
In my view, award fee payments to the prime contractor are disruptive in the IPT environment	1	2	3	4	5
<u>New System:</u>					
Rewards and recognition have a large potential to influence the success of the acquisition process	1	2	3	4	5
I would prefer monetary awards over non-monetary awards	1	2	3	4	5
If monetary awards are given based on team performance, all team members (high and low performers) should receive the same amount	1	2	3	4	5
If awards are given based on team performance, an inequity results if military or contractor (SETA) team members are excluded from cash awards	1	2	3	4	5
If awards are given based on team performance, all team members should be rewarded equitably	1	2	3	4	5

**Q-2** Of what value is each of the following rewards to you personally?

*Circle the number of your answer for each example.*

<b>Reward</b>	<b>No Value</b>	<b>Little Value</b>	<b>Moderate Value</b>	<b>Large Value</b>	<b>Significant Value</b>
Informal (non-ceremonial) recognition by peers, supervisors, DoD leaders	1	2	3	4	5
Formal (ceremonial) recognition by peers supervisors, DoD leaders	1	2	3	4	5
Outstanding performance rating	1	2	3	4	5
Increase in base pay	1	2	3	4	5
Paid time off	1	2	3	4	5
Education and training opportunities	1	2	3	4	5
Cash award (>\$1000)	1	2	3	4	5
U.S. Savings Bonds (>\$1000)	1	2	3	4	5
Productivity upgrades (facility, computers, software, etc.)	1	2	3	4	5
Assignment of administrative support	1	2	3	4	5
Tuition refunds for college courses	1	2	3	4	5
Follow-on assignment preference	1	2	3	4	5
Assignment of high-status tasks within current office	1	2	3	4	5
More flexibility concerning work hours and place (e.g. from home)	1	2	3	4	5
Gift certificates for sporting events, dinner, theater	1	2	3	4	5
More influence in goal setting and decision making	1	2	3	4	5
Unused Leave/vacation time sell-back	1	2	3	4	5
Other (Specify): _____	1	2	3	4	5

**Q-3** Please rank order the three awards that you would personally value most from the list below (specify 'Other' if your choice does not appear).

*Circle #1 for your first choice, #2 for your second choice, and #3 for your third choice (Circle only three).*

Award	Rank		
Informal (non-ceremonial) recognition by peers, supervisors, DoD leaders	1	2	3
Formal (ceremonial) recognition by peers supervisors, DoD leaders	1	2	3
Outstanding performance rating	1	2	3
Increase in base pay	1	2	3
Paid time off	1	2	3
Education and training opportunities	1	2	3
Cash award (>\$1000)	1	2	3
U.S. Savings Bonds (>\$1000)	1	2	3
Productivity upgrades (facility, computers, software, etc.)	1	2	3
Assignment of administrative support	1	2	3
Tuition refunds for college courses	1	2	3
Follow-on assignment preference	1	2	3
Assignment of high-status tasks within current office	1	2	3
More flexibility concerning work hours and place (e.g. from home)	1	2	3
Gift certificates for sporting events, dinner, theater	1	2	3
More influence in goal setting and decision making	1	2	3
Unused Leave/vacation time sell-back	1	2	3
Other (Specify): _____	1	2	3

**Q-4** In your opinion, is the reward more appropriate for Teams or Individuals? Circle 'Both' if you feel that the reward is appropriate for Teams *and* Individuals.

*Circle the number of your answer for each example (Please circle only one answer for each reward).*

Reward	Teams	Individuals	Both
Informal (non-ceremonial) recognition by peers, supervisors, DoD leaders	1	2	3
Formal (ceremonial) recognition by peers supervisors, DoD leaders	1	2	3
Paid time off	1	2	3
Education and training opportunities	1	2	3
Cash award (>\$1000)	1	2	3
U.S. Savings Bonds (>\$1000)	1	2	3
Productivity upgrades (facility, computers, software, etc.)	1	2	3
Assignment of administrative support	1	2	3
Tuition refunds for college courses	1	2	3
Assignment of high-status tasks within current office	1	2	3
More flexibility concerning work hours and place (e.g. from home)	1	2	3
Gift certificates for sporting events, dinner, theater	1	2	3
More influence in goal setting and decision making	1	2	3
Other (Specify): _____	1	2	3

## Individual and Team Performance

**Q-5** To what extent do you agree or disagree with the following statements concerning performance management practices? Please base your answers on your current (or most recent) experience in an acquisition program management office.

### Individual Performance

*Circle the number of your answer for each statement.*

Statement	Strongly Disagree	Disagree	Neither Agree or Disagree	Agree	Strongly Agree
Organizational strategy and visions are clearly communicated	1	2	3	4	5
Individual performance objectives are clearly communicated	1	2	3	4	5
Performance appraisals are a fair and accurate reflection of individual performance	1	2	3	4	5
Performance appraisals take into account the most important aspects of the job	1	2	3	4	5
The current appraisal systems drive performance and motivate employees to perform well	1	2	3	4	5
Individual performance directly impacts the team	1	2	3	4	5
Individual performance directly contributes to program success	1	2	3	4	5
Individual performance objectives are aligned with team goals and objectives	1	2	3	4	5

**Q-5 (continued)** To what extent do you agree or disagree with the following statements concerning performance management practices?

Team Performance

*Circle the number of your answer for each statement.*

Statement	Strongly Disagree	Disagree	Neither Agree or Disagree	Agree	Strongly Agree
Team performance is more important than individual performance in terms of influencing program success	1	2	3	4	5
Organizational strategy and visions are clearly communicated to the Team	1	2	3	4	5
Team goals and objectives are linked to organizational strategy	1	2	3	4	5
Team goals and objectives are clearly defined and communicated	1	2	3	4	5
Team performance is measured against clearly defined goals and objectives	1	2	3	4	5
Metrics used to measure Team performance are fair and objective	1	2	3	4	5
Metrics used to measure Team performance reflect the critical aspects of the program	1	2	3	4	5
Team performance measures drive performance and motivate the team to perform well	1	2	3	4	5
<u>Program Success Measures</u>					
The Acquisition Program Baseline is a good basis for measuring acquisition process success	1	2	3	4	5
Deviations from the APB are largely due to factors beyond the control of the program management team	1	2	3	4	5

## Critical Processes

**Q-6** To what extent does each process impact acquisition process success in terms of cost, schedule, and technical performance goals?

*Circle the number of your answer for each process.*

Process	Not at all	Small Extent	Moderate Extent	Large Extent	Significant Extent
Develop Product Definition Statements	1	2	3	4	5
Generate Schedule, Budget, and Performance Specifications	1	2	3	4	5
Build Procurement Plans	1	2	3	4	5
Cost/Performance Tradeoffs	1	2	3	4	5
Determine Acquisition Strategy	1	2	3	4	5
Progress/Design Reviews	1	2	3	4	5
Risk Assessment	1	2	3	4	5
Determine contract deliverables	1	2	3	4	5
Secure funding	1	2	3	4	5
Stabilize resources	1	2	3	4	5
Source selection	1	2	3	4	5
Contract negotiations	1	2	3	4	5
Define and implement contractor award fee program	1	2	3	4	5
Test and evaluation	1	2	3	4	5
Technical interchange meetings	1	2	3	4	5
Timely and accurate reporting	1	2	3	4	5
Customer Satisfaction	1	2	3	4	5
Other (Specify): _____	1	2	3	4	5

**Q-7** Which program team, government or prime contractor, has a greater impact on the successful outcome of these processes? Indicate 'Both' if you feel that both teams equally affect the successful outcome of the process.

*Circle the number of your answer for each process.*

Process	Government	Prime Contractor	Both
Develop Product Definition Statements	1	2	3
Generate Schedule, Budget, and Performance Specifications	1	2	3
Build Procurement Plans	1	2	3
Cost/Performance Tradeoffs	1	2	3
Determine Acquisition Strategy	1	2	3
Progress/Design Reviews	1	2	3
Risk Assessment	1	2	3
Secure funding	1	2	3
Stabilize resources	1	2	3
Source selection	1	2	3
Contract negotiations	1	2	3
Define and implement contractor award fee program	1	2	3
Test and evaluation	1	2	3
Technical interchange meetings	1	2	3
Timely and accurate reporting	1	2	3
Customer Satisfaction	1	2	3
Other (Specify): _____	1	2	3



An incentive system should reward performance based on factors that are within program office control and not be based on factors that are external to the program office. Below is a potential list of factors that can influence the success of the acquisition process.

**Q-8** How much control does the Program Management Office have over these factors? Please include additional factors you consider important. Use the comment section to elaborate.

*Circle the number of your answer for each example.*

Factors	None at All	Little Control	Moderate Control	Substantial Control	Full Control
Requirement stability/quantity changes	1	2	3	4	5
Program schedule changes	1	2	3	4	5
Funding stability	1	2	3	4	5
Accuracy of cost estimates	1	2	3	4	5
Adequate skills/personnel turnover	1	2	3	4	5
Plan specificity	1	2	3	4	5
Contractor bidding strategy (e.g. low bid to buy-in)	1	2	3	4	5
External oversight (e.g. audits)	1	2	3	4	5
Contractor performance	1	2	3	4	5
Other (Specify): _____	1	2	3	4	5
Other (Specify): _____	1	2	3	4	5

**Q-9** To what extent do the above factors influence cost, schedule, and performance goals?

- ☐ not at all
- ☐ small extent
- ☐ moderate extent
- ☐ large extent
- ☐ significant extent

**Q-10** To what extent do the above factors prevent the team from successfully accomplishing team objectives?

- ☐ not at all
- ☐ small extent
- ☐ moderate extent
- ☐ large extent
- ☐ significant extent

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## Background

- Q-11** Are you:
- ☐ Military
  - ☐ Government Civilian
  - ☐ Support Contractor (SETA)
- Q-12** How many years experience do you have in a Program Office?
- ☐ none
  - ☐ less than 4
  - ☐ 4 to less than 8
  - ☐ 8 to less than 12
  - ☐ 12 or more
- Q-13** What is your Service Department? (contractors may skip questions 14 through 17)
- ☐ Army
  - ☐ Navy
  - ☐ Marine Corps
  - ☐ Air Force
  - ☐ Defense Agency
- Q-14** What is your current grade?
- ☐ GS 9-12
  - ☐ GS 13-14
  - ☐ GS 15
  - ☐ O3 or below
  - ☐ O4-O5
  - ☐ O6 and above
- Q-15** How many years experience do you have in Acquisition?
- ☐ none
  - ☐ less than 4
  - ☐ 4 to less than 8
  - ☐ 8 to less than 12
  - ☐ 12 or more
- Q-16** How long ago was your last program office assignment?
- ☐ have not had one
  - ☐ within the last 3 years (or current)
  - ☐ more than 4 but less than 8 years ago
  - ☐ more than 8 years ago
- Q-17** Are you a member of the Acquisition Corps?
- ☐ Yes
  - ☐ No

## **Comments**

Please use this space (and additional sheets as necessary) to elaborate on your answers to any of the questions or to recommend specific strategies that you think are important in the reward and recognition of acquisition professionals.

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Your contribution to this survey is greatly appreciated. If you would like a summary of the results, please contact us via any of the addresses below and we will see that you receive the summary.

Logistics Management Institute, 2000 Corporate Ridge, McLean VA 22102-7805, FAX (703) 917-7180  
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## Appendix B

# Survey Results

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# DEMOGRAPHICS

Figure B-1. Demographics of Participants

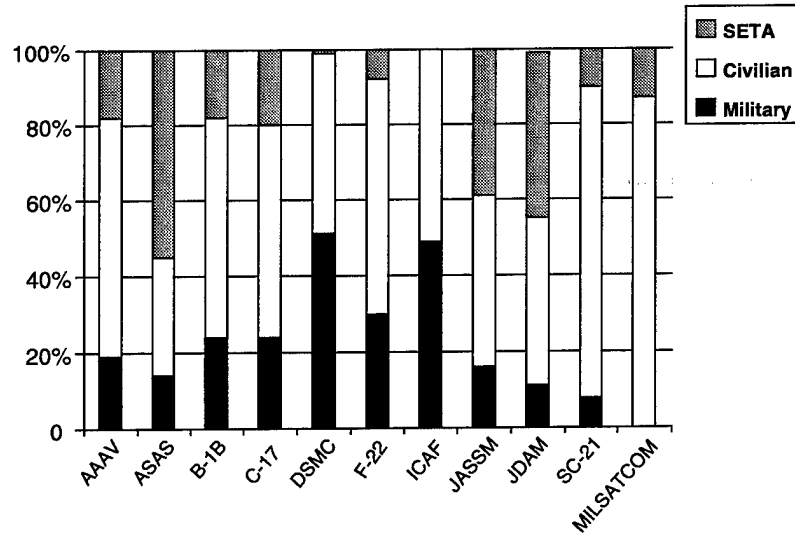


Table B-1. Military, Civilian, SETA

	Military	Civilian	SETA	Total
PMT Members	116 (21 percent of PMT)	320 (58 percent of PMT)	115 (21 percent of PMT)	551 (67 percent of Total)
Students	136 (50 percent of Students)	133 (49 percent of Students)	1 (.4 percent of Students)	270 (33 percent of Total)
Total	252 (31 percent of Total)	453 (55 percent of Total)	116 (14 percent of Total)	821

## REWARDS AND RECOGNITION

Figure B-2. Rewards and Recognition

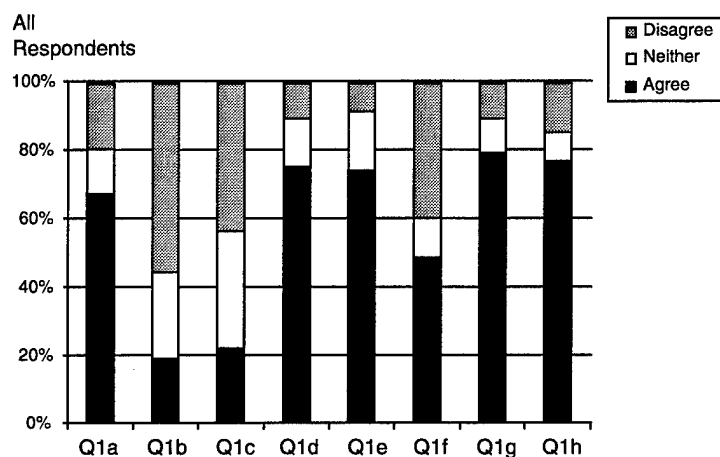


Table B-2. Survey Results: Rewards and Recognition

Question	Percent agree	Percent disagree	Percent neither
Q1a. Rewards and recognition have a large influence on behavior	67	19	14
Q1b. The current appraisal system is credible and appropriate to determine reward distributions	19	55	26
Q1c. In my view, award fee payments to the prime contractor are disruptive in the IPT environment	22	43	35
Q1d. Rewards and recognition have a large potential to influence success	74	10	15
Q1e. I would prefer monetary over non-monetary awards	74	8	18
Q1f. If monetary awards are given based on team performance, all team members (high and low performers) should receive the same amount	48	39	12
Q1g. If awards are given based on team performance, an inequity results if military of SETA contract team members are excluded from cash awards	79	10	11
Q1h. If awards are given based on team performance, all team members should be rewarded equitably	76	14	9

Figure B-3. Differences by Service

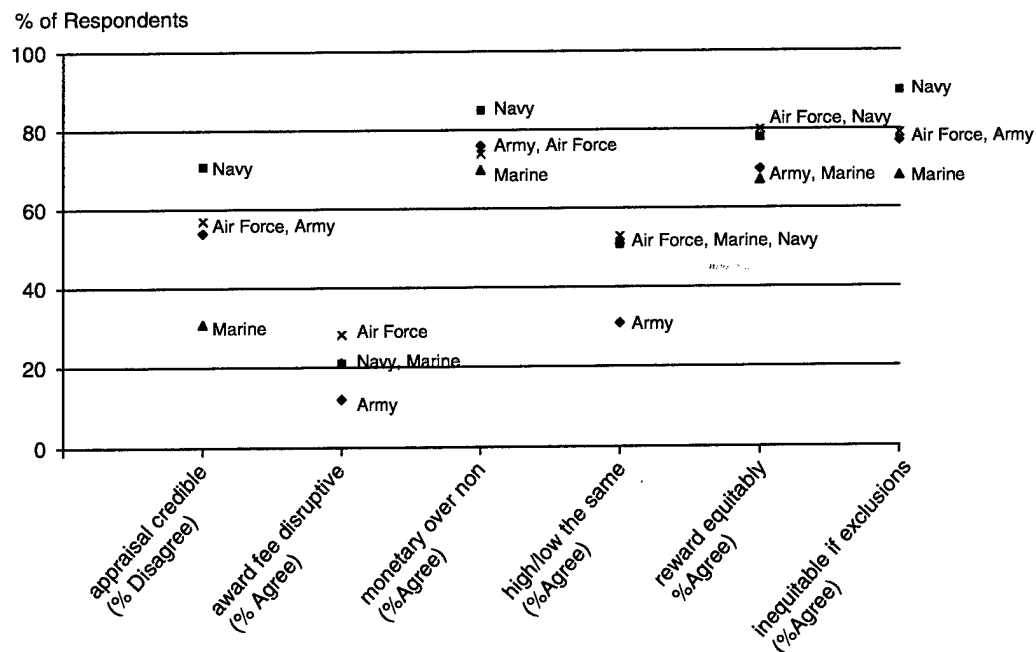


Figure B-4. Significance Tests: Rewards and Recognition

Question	Mil v. Civ	PMT v. Students
Rewards & rec have large influence	No Difference	No Difference
Appraisal credible	Mil less likely to disagree (54% v 62%)	PMT less likely to disagree (50% v. 67%)
Award fee disruptive	Civ less likely to disagree (40% v. 50%)	PMT more likely to agree (25% v 17%)
Rewards & rec have large potential	No Difference	No Difference
Favor monetary over non-monetary	Civ more likely to agree (78% v. 66%)	No Difference
High/low performers rewarded the same	No Difference	PMT more likely to agree (51% v. 44%)
Rewards should be equitable	No Difference	PMT less likely to disagree (12% v. 19%)
Inequitable if exclusions	Mil more likely to agree (87% v. 73%)	PMT less likely to agree (76% v. 86%)

Figure B-5. Rewards Valued—Civilian

GS 9-12	GS 13-14	GS 15
Base Pay Increase Cash Award Outstanding Rating	Base Pay Increase Cash Award Outstanding Rating	Base Pay Increase Outstanding Rating Cash Award
Paid Time Off Flex Work Hours/Place Savings Bonds Education & Training Assignment Preference	Paid Time Off Savings Bonds Flex Work Hours/Place Education & Training Assignment Preference	Assignment Preference Influence in Goal Setting Education & Training Flex Work Hours/Place Unused Leave Sell Back High Status Tasks Informal Recognition Formal Recognition Paid Time Off Savings Bonds Productivity Upgrades Tuition Refunds
Influence in Goal Setting Unused Leave Sell Back High Status Tasks Tuition Refunds Productivity Upgrades Informal Recognition Formal Recognition	Influence in Goal Setting High Status Tasks Informal Recognition Formal Recognition Unused Leave Sell Back Tuition Refunds Productivity Upgrades	Admin Support
Admin Support Gift Certificates	Admin Support Gift Certificates	Gift Certificates



*Figure B-6. Rewards Valued—Military*

Lt-Capt	Maj-LtCol	Colonel
Assignment Preference Outstanding Rating Cash Award Base Pay Increase	Base Pay Increase Outstanding Rating Cash Award Assignment Preference	Base Pay Increase Cash Award Outstanding Rating
Paid Time Off Savings Bonds Education & Training Informal Recognition High Status Tasks	Savings Bonds Education & Training Paid Time Off Influence in Goal Setting High Status Tasks Flex Work Hours/Place Informal Recognition Formal Recognition	Influence in Goal Setting Informal Recognition Paid Time Off Education & Training Savings Bonds Productivity Upgrades Formal Recognition
Flex Work Hours/Place Influence in Goal Setting Formal Recognition Tuition Refunds Productivity Upgrades	Unused Leave Sell Back Tuition Refunds Productivity Upgrades	Flex Work Hours/Place Assignment Preference High Status Tasks Unused Leave Sell Back Admin Support
Admin Support Unused Leave Sell Back Gift Certificates	Admin Support Gift Certificates	Tuition Refunds Gift Certificates

# PERFORMANCE MANAGEMENT

Figure B-7. Individual Performance

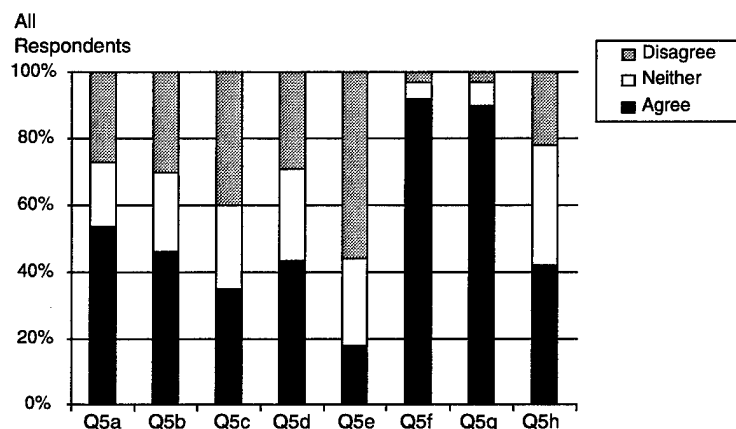


Table B-3. Survey Results: Individual Performance

Question	per- cent Agree	percent Disagree	per- cent Neither
Q5a. Organizational strategy and visions are clearly communi- cated	53	27	19
Q5b. Individual performance objectives are clearly communi- cated	46	30	24
Q5c. Performance appraisals are a fair and accurate reflection of individual performance	35	40	25
Q5d. Performance appraisals take into account the most im- portant aspects of the job	43	30	27
Q5e. The current appraisal systems drive performance and motivate employees to perform well	18	56	26
Q5f. Individual performance directly impacts the team	91	3	5
Q5g. Individual performance directly contributes to program success	90	3	7
Q5h. Individual performance objectives are aligned with team goals and objectives	42	22	36

*Figure B-8. Significance Tests, Individual Performance*

Question	Mil v. Civ	PMT v. Students
Org strategy clearly communicated	No Difference	PMT less likely to disagree (24% v. 34%)
Indiv performance object clearly comm	No Difference	PMT less likely to disagree (26% v. 38%)
Appraisals fair & accurate	Civ more likely to disagree (48% v. 32%)	PMT less likely to disagree (37% v. 47%)
Account for most important aspect of job	Civ more likely to disagree (35% v. 24%)	PMT less likely to disagree (27% v. 36%)
Current system drives performance & motivate	Civ more likely to disagree (62% v. 48%)	PMT more likely to agree (21% v 17%)
Individual performance impacts the team	No Difference	No Difference
Individual perf contributes to ps	No Difference	No Difference
Individual performance object align with team	No Difference	PMT less likely to disagree (14% v. 28%)

*Figure B-9. Team Performance*

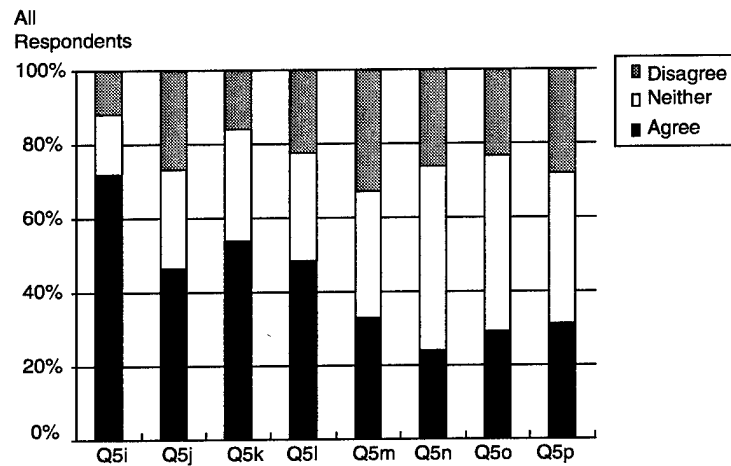


Table B-4. Survey Results: Team Performance

Question	Percent agree	Percent disagree	Percent neither
Q5i. Team performance is more important than individual performance in terms of influencing program success	72	12	16
Q5j. Organizational strategy and visions are clearly communicated to the team	47	27	27
Q5k. Team goals and objectives are linked to organizational strategy	54	16	30
Q5l. Team goals and objectives are clearly defined and communicated	48	22	29
Q5m. Team performance is measured against clearly defined goals and objectives	33	33	34
Q5n. Metrics used to measure team performance are fair and objective	24	26	50
Q5o. Metrics used to measure team performance reflect the critical aspects of the program	29	23	47
Q5p. Team performance measures drive performance and motivate the team to perform well	31	28	40

Figure B-10. Significance Test, Team Performance

Question	Mil v. Civ	PMT v. Students
Team performance more important	Mil more likely to agree (83% v 66%)	No Difference
Org strategy comm to team	No Difference	PMT less likely to disagree (24% v. 32%)
Team goals linked to strategy	Mil more likely to agree (62% v 50%)	PMT less likely to disagree (14% v. 22%)
Team goals communicated	No Difference	No Difference
Team perf measured against goals	No Difference	PMT less likely to disagree (29% v. 40%)
Metrics fair and objective	No Difference	PMT less likely to disagree (22% v. 34%)
Metrics reflect critical aspects of program	No Difference	PMT less likely to disagree (19% v. 32%)
Team perf measures drive performance	No Difference	PMT less likely to disagree (27% v. 37%)
APB is good basis to measure success	Mil more likely to agree (43% v 34%)	Students more likely to agree (45% v. 32%)
APB devs are beyond control	No Difference	Students more likely to disagree (21% v. 12%)

## Appendix C

# Abbreviations

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ACAT I	Acquisition Category I
APB	Acquisition Program Baseline
CFO	Chief Financial Officer
DoD	Department of Defense
DSMC	Defense Systems Management College
FASA	Federal Acquisition Streamlining Act
ICAF	Industrial College of the Armed Forces
IPT	Integrated Product Team
OPM	Office of Personnel Management
PEO	Program Executive Officer
PMT	program management team
SETA	scientific, engineering, technical, administrative

# REPORT DOCUMENTATION PAGE

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